



# भारत का राजपत्र

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।  
Separate paging is given to this Part in order that it may be filed as a separate compilation.

### RAJYA SABHA

The following Bills were introduced in the Rajya Sabha on the 24th November, 2000:—

#### I

BILL NO. LXXI OF 2000

*A Bill to amend the Chit Funds Act, 1982.*

BE it enacted by Parliament in the Fifty-first Year of the Republic of India as follows:—

1. (1) This Act may be called the Chit Funds (Amendment) Act, 2000.

Short title and commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different States.

40 of 1982. 2. In section 6 of the Chit Funds Act, 1982 (hereinafter referred to as the principal Act), in sub-section (3), for the words "thirty per cent.", the words "forty per cent." shall be substituted.

Amendment of section 6.

3. In section 13 of the principal Act,—

Amendment of section 13.

(i) in sub-section (1), for the words "twenty-five thousand rupees", the words "rupees one lakh" shall be substituted;

(ii) in sub-section (2),—

(A) in clause (a), for the words “one lakh”, the words “six lakhs” shall be substituted;

(B) in clause (b), for the words “twenty-five thousand rupees”, the words “rupees one lakh” shall be substituted.

Amendment  
of section 20. 4. In section 20 of the principal Act, in sub-section (I), for clause (a), the following clause shall be substituted, namely:—

“(a) deposit in the name of the Registrar, an amount equal to,—

(i) fifty per cent. of the chit amount in cash in an approved bank; and

(ii) fifty per cent. of the chit amount in the form of bank guarantee from an approved bank; or”.

### STATEMENT OF OBJECTS AND REASONS

The Chit Funds Act, 1982 was enacted to provide for the regulation of chit funds and for matters connected therewith. Sub-section (3) of section 1 of the Act, *inter alia*, confers powers upon the Central Government to appoint different dates for commencement of the said Act for different States. The Act has so far been brought into force in sixteen States and six Union territories.

2. The provisions contained in sub-section (3) of section 6 of the Act, provide that the maximum amount of discount, which the prized subscriber has to forego at any instalment to any chit, shall not exceed thirty per cent. of the chit amount that is, the sum-total of subscriptions payable by all the subscribers for any instalment of a chit without any deduction for discount or otherwise.

3. Clause (j) of section 2 of the Chit Funds Act, 1982 defines "foreman" which means the person who under the chit agreement is responsible for the conduct of the chit and includes any person discharging the functions of the foreman under section 39 of the Act. Under the existing provisions contained in section 13 of the Act, no foreman other than a firm or other association of individuals or a company can commence or conduct chits, the aggregate amount of which at any time exceeds twenty-five thousand rupees. Where the foreman is a firm or other association of individuals, the aggregate chit amount shall not exceed twenty-five thousand rupees for every partner or individual, or as the case may be, subject to a maximum of one lakh rupees. Where the foreman is a company, the aggregate chit amount of the chits conducted by it, shall not, at any time, exceed ten times the net owned funds of the company defined in the *Explanation* to that section.

4. The constitutional validity of, *inter alia*, sections 6 and 13 of the Chit Funds Act, 1982, came up for consideration of the Supreme Court of India in Shriram Chits and Investments (P) Limited Vs. Union of India and others. (AIR 1993 SC 2063). The Court held that the restriction in sub-section (3) of section 6 was neither arbitrary nor unreasonable and also upheld the constitutional validity of the Act and dismissed Civil Appeal No. 448 of 1989. The Supreme Court, did not find that the limits put in section 13 of the Act were violative of article 19(1)(g) of the Constitution. They further observed that in any case, such limits were in the interests of the subscribers and in view of the inflation in the country, the appropriate authorities, in case a demand was so raised, from time to time increase the limits. However, they did not find it necessary to give any direction in this behalf.

5. In the light of the judgment of the Supreme Court in the aforesaid case, the Central Government invited suggestions from the concerned State Governments and Union territories and from the All India Association of Chit Funds on the proposal, *inter alia*, to amend sections 6 and 13 of the Chit Funds Act, 1982. After having considered the suggestions and in consultation with the Reserve Bank of India, it is proposed to—

(a) enhance the ceiling on discount to be foregone by a prized subscriber from thirty per cent. specified in sub-section (3) of section 6 of the Act to forty per cent.;

(b) amend sub-sections (1) and (2) of section 13 of the Act to enhance,—

(i) the aggregate chit amount commenced or conducted by a foreman other than a firm or other association of individuals or a company or co-operative society, from twenty-five thousand rupees to one lakh rupees; and

(ii) the ceiling of aggregate chit amount of the chits conducted by the firm or other association where the number of partners of the firm or the individuals is not less than four, from one lakh rupees to six lakhs rupees and in any other case from ceiling of twenty-five thousand rupees calculated with respect to each partner or individual to one lakh rupees.

6. Section 20 of the Chit Funds Act, 1982 provides for security to be given by a foreman. Clause (a) of sub-section (1) of the said Act, provides that every foreman shall, for proper conduct of the chit, deposit in an approved bank an amount equal to the chit amount in the name of the Registrar. It is proposed to substitute said clause (a) of sub-section (1) of section 20 so as to provide that the said deposit in the name of the Registrar shall be an amount equal to fifty per cent. of the chit amount in cash in an approved bank and balance fifty per cent. of the chit amount in the form of bank guarantee.

7. The Bill seeks to achieve the above objects.

YASHWANT SINHA.

**II****BILL NO. LXXII OF 2000**

*A Bill to repeal the Civil Courts Amens Act, 1856 and certain other enactments.*

Be it enacted by Parliament in the Fifty-first Year of the Republic of India as follows:—

1. This Act may be called the Judicial Administration Laws (Repeal) Short title. Act, 2000.
2. The enactments specified in the Schedule are hereby repealed. Repeal.

## THE SCHEDULE

(See section 2)

## REPEAL OF ENACTMENTS

Year (1)	No. (2)	Subject or short title (3)
1856	12	The Civil Courts Amins Act, 1856.
1866	23	The Bombay High Court (Letters Patent) Act, 1866.
1866	25	The Unclaimed Deposits Act, 1866.
1867	16	The Acting Judges Act, 1867.
1869	13	The Procedure of the High Court for Uttar Pradesh.
1870	5	The Unclaimed Deposits Act, 1870.
1877	4	The Presidency Magistrates (Court-fees) Act, 1877.
1919	9	The Punjab Courts (Supplementing) Act, 1919.
1937	25	The Federal Court Act, 1937.
1948	1	The Federal Court (Enlargement of Jurisdiction) Act, 1947.
1949	Constituent Assembly Act V	The Abolition of Privy Council Jurisdiction Act, 1949.
1949	Rajasthan Ord. XV	The Rajasthan High Court Ordinance, 1949.
1950	15	The Judicial Commissioners' Courts (Declaration as High Courts) Act, 1950.
1950	41	The Bhopal and Vindhya Pradesh (Courts) Act, 1950.
1952	72	The Mysore High Court (Extension of Jurisdiction to Coorg) Act, 1952.
1953	44	The Manipur Court-fees (Amendment and Validation) Act, 1953.
1964	16	The Goa, Daman and Diu Judicial Commissioner's Court (Declaration as High Court) Act, 1964.

**STATEMENT OF OBJECTS AND REASONS**

The Commission on Review of Administrative Laws which was set up by the Central Government on the 8th May, 1998 has recommended, *inter alia*, repeal of certain enactments relating to judicial administration. In pursuance of the recommendations of the Commission, the Central Government, after consultation with the concerned State Governments, Union territory Administrations, High Courts and the Supreme Court of India, has decided to repeal 17 enactments mentioned in the Schedule to the Bill as they have either outlived their utility or have ceased to serve any purpose and have become obsolete. In the circumstances, it is considered appropriate to repeal these enactments.

2. The Bill seeks to achieve the above object.

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ARUN JAITLEY.

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R. C. TRIPATHI,  
*Secretary-General.*

